

FISCAL ESTIMATE

DOA-2048 N(R10/98)

☒ ORIGINAL☐ UPDATED☐ CORRECTED☐ SUPPLEMENTAL

Adm. Rule No.

Ch. ATCP 161 subch. IV

Amendment No. If Applicable

Subject

"Buy Local" Grant Program

Fiscal Effect**State:** ☐ No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum certain appropriation

☐ Indeterminate☐ Increase Existing Appropriation☐ Decrease Existing Appropriation☐ Create New Appropriation☐ Increase Existing Revenues☐ Decrease Existing Revenues☒ Increase Costs - May be possible to Absorb
Within Agency's Budget ☒ Yes ☐ No☐ Decrease Costs**Local:** ☐ No Local Government Costs1. ☐ Increase Costs☐ Permissive☐ Mandatory2. ☐ Decrease Costs☐ Permissive☐ Mandatory3. ☐ Increase Revenues☐ Permissive☐ Mandatory4. ☐ Decrease Revenues☐ Permissive☐ Mandatory

5. Types of Local Governmental Units Affected:

☐ Towns☐ Villages☐ Cities☐ Counties☐ Others☐ School Districts☐ WTCS Districts**Fund Sources Affected**☒ GPR☐ FED☐ PRO☐ PRS☐ SEG☐ SEG-S**Affected Ch. 20 Appropriations**

20.115 (3)(a)

Assumptions Used in Arriving at Fiscal Estimate**Background**

The "buy local" grant program is designed to increase local sales of Wisconsin agricultural products. The biennial budget act appropriated \$225,000 in grant funding for the FY 2007-09 fiscal biennium, and assigned the Department of Agriculture, Trade and Consumer Protection (DATCP) to administer the grant program. This rule spells out grant procedures and criteria. Among other things, this rule:

- Authorizes DATCP to make grant awards and distribute grant funds appropriated for the "buy local" grant program.
- Spells out the procedures and criteria that DATCP will use to evaluate grant proposals, make grant awards and distribute grant payments.
- Spells out the purposes for which grant funds may be used, subject to the terms of the grant contract.

Fiscal Impact

The "buy local" grant program and this rule will have a fiscal impact on DATCP operations (the primary fiscal effect arises from the grant program itself, not from this rule). DATCP must issue at least one request for grant proposals in each state fiscal biennium for which grant funds are appropriated. DATCP staff must review grant applications, recommend grant awards, administer grants, and ensure compliance with applicable requirements. DATCP staff will also provide technical assistance to grant recipients, as appropriate.

Program administration will occupy at least 2.0 FTE staff in DATCP's Division of Agricultural Development (this does not include legal, managerial, DATCP central accounting, or other indirect staff support). The combined total cost for those 2.0 FTE staff will be \$147,000 per year, including salary, fringe benefits and support costs (there will be a smaller proportionate cost for the remainder of the current fiscal year). The biennial budget act authorized 1.0 new FTE staff position, including staff funding of \$42,700 GPR for the current fiscal year and \$64,100 GPR for FY 2008-09. In the short term, DATCP will try to fill remaining staffing needs by shifting current staff from other agricultural development programs.

The budget act also provided funding (but no staff positions) for training, marketing, data tracking and information technology for the "buy local" program. Funding for those purposes is \$110,000 GPR in the current fiscal year and \$165,000 in FY 2008-09.

Long-Range Fiscal Implications

Program operating costs will be ongoing, and will be subject to staff salary and fringe benefit adjustments.

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